

## Understanding Chinese gamblers' adoption of online casinos based on e-marketing mix model

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# UNDERSTANDING CHINESE GAMBLERS' ADOPTION OF ONLINE CASINOS BASED ON E-MARKETING MIX MODEL

Tony Sam & Chris Chatwin

## ABSTRACT

This paper presents a quantitative study of online casino adoption based on the e-marketing mix model. The Internet has changed the business context of many industries. Online casino is one such rapidly growing industry. Different e-marketing approaches have been widely adopted by online casinos to attract more customers. In China, there are twice as many online gamblers as there are online shoppers. Due to the high population in China, the market potential is huge. The purpose of this study is to evaluate the impact of Chinese gamblers' perceptions of e-marketing mix elements on their adoption of online casinos. The results can provide a reference for investors to develop more effective online casino businesses.

**Keywords:** Online casinos, E-marketing mix elements, Chinese gamblers' perceptions, Online casino adoption, Behavioral intention, Actual usage

## 1 INTRODUCTION

Online gambling is very popular in Europe, the global leader in the online gambling industry. Technavio's market research analysts have predicted that the online gambling market will register a CAGR of close to 11% by 2022 (Technavio.com 2018). The United Kingdom was the first country to legalize and regulate online casino gambling. According to a survey in 2017 (Gambling Commission 2017), 18% of UK gamblers placed their bets online in the past four weeks and there were nearly 9.5 million people gambled online. The global market for online gambling was USD 44.16 billion in 2016 and is estimated to reach USD 81.71 billion by 2022 (businesswire.com, 2017). Online gambling is also very popular in other European countries such as Belgium and the Netherlands (DutchNews.nl 2009).

Although online casino gambling has not been legalized in most of the Asian countries, the industry has become very popular in the Asian continent (Times Square Chronicles 2018; South China Morning Post 2018) and it is likely to be popular among the younger generation due to the fact that gambling is now more socially acceptable and has become normalized (Abbott et al. 2004; King et al. 2010). Furthermore, the younger generation has been growing up with the help of advanced information technologies (King et al. 2010). Meanwhile, the interest in online gambling has increased in Mainland China (Wallstreet.com 2018). The substantial increase in Macau casino revenues has been driven by Chinese gamblers from Mainland China (Philippine Yahoo News 2012), the Chinese gamblers from Mainland China are one of the main sources of revenues for online casinos.

Despite the popularity of online casino gambling, few studies have examined the impact of the e-marketing mix elements offered by online casinos on Chinese gamblers' behavioral intention towards online casinos. According to Kinsman (2005), most sites allocated a substantial proportion of their income to advertising and marketing in order to attract new gamblers and retain existing ones. If the adopted e-marketing mix elements are not effective, it can greatly affect their net income.

This study investigates Chinese gamblers' behavioral intention towards online casinos based on their perceptions of e-marketing mix elements available on the online casino. If online casino businesses can evaluate the effectiveness of the e-marketing mix elements accurately, their profits

can certainly be increased. The research results can help online casinos develop effective e-marketing mix elements.

## 2 E-MARKETING MIX MODELS

This study investigates Chinese gamblers' perceptions of the e-marketing mix provided by online casinos in order to facilitate online betting services. The traditional marketing mix model (4Ps) cannot satisfy the emergent global market; however, e-marketing mix models can be adapted to make them effective (Hoffman and Novak 1997). There has been a few popular e-marketing mix models in the digital marketplace such as the 4C model (Lauterborn 1990), 4S model (Constantinides 2002) and 4Ps + P<sup>2</sup>C<sup>2</sup>S<sup>3</sup> model (Kalyanam and McIntyre 2002). In this study, the adopted e-marketing mix model should be based on the Chinese gamblers' viewpoint. According to Sam and Chatwin (2015), the 4Ps + P<sup>2</sup>C<sup>2</sup>S<sup>3</sup> model is the most suitable model based on the users' viewpoint. As a result, the 4Ps + P<sup>2</sup>C<sup>2</sup>S<sup>3</sup> model was adopted for this study.

### 2.1 E-Marketing Mix – 4Ps+P<sup>2</sup>C<sup>2</sup>S<sup>3</sup> Model

This model contains the traditional 4Ps with the additions of the following elements: i) Personalization, which is similar to the Personalization element in the 8Ps model; ii) Privacy, which refers to the policy used to protect customers' privacy; iii) Community, which involves online social media to facilitate online shopping decisions; iv) Customer service, which consists of all online services provided to customers; v) Site, which involves organization of contents and design layout on the web sites; vi) Security, which considers the security settings to protect the web sites; vii) Sales promotion, which involves online sales promotion activities offered to the customers. For each e-marketing mix element, there are a few corresponding e-marketing tools shown in Table 1.

**Table 1** E-Marketing Tools of E-Marketing Mix Elements

E-Marketing Mix Elements	Supporting E-Marketing Tools
Product	Assortment
	Configuration Engine-configure products
	Planning and Layout Tools
Promotion	Online Advertisements
	Outbound Email
	Viral Marketing
	Recommendation
Place	Affiliates
	Remote Hosting
Price	Dynamic Pricing
	Forward Auctions
	Reverse Auctions
	Name Your Price
Personalization	Customization
	Individualization-send notice of individual preference
	Collaborative Filtering
Privacy	Privacy Policy
Customer Service	FAQ & Help Desk
	Email Response Mgmt.
	Chat Rooms Between Customers and Supporting Staff

	Order Tracking
	Sales Return Policy
Community	Product Discussion Among Customers
	User Ratings & Reviews
	Registries & Wish lists
Site	Home Page
	Navigation & Search
	Page Design & Layout
Security	Security tool (s)
Sales Promotion	E-Coupons

### 3 RESEARCH MODEL

#### 3.1 Product

The product element in the e-marketing mix 4Ps+P2C2S3 model focuses on assortment, merchandising and customization. Merchandising, quality of products, and product configuration are major determinants of the customer purchase decision (Chen et al. 2010). For digital products, the product quality has a positive influence on a consumer's purchase intention (Lee et al. 2011). In addition, the amount, accuracy and the form of information about the products offered on the website are positively associated with consumers online purchase intention (Mohd Sam 2009). Thus, the following hypothesis is proposed:

H<sub>1</sub>: Perceived product element has a positive impact on behavioral intention to adopt online casino.

#### 3.2 Promotion

Promotions are important as they can inform consumers of product availability, generate public awareness of marketing activities and increase customer loyalty (Bagozzi 1998). Personal interaction, multimedia website features and purchasing relationship should be included as elements of the P of promotion in the Web environment (Dominici 2009). Promotions are useful cues for cognitive evaluations of a product and purchasing decision (Raghubir 2004). Another study found that implementing several promotion tools together has a significant effect on a consumer's purchase intention (Kusumawati et al. 2014). Thus, the following hypothesis is proposed:

H<sub>2</sub>: Perceived promotion element has a positive impact on behavioral intention to adopt online casino.

#### 3.3 Place

Search engine marketing is very popular in the e-Advertising space (Mushtaq et al. 2012). Furthermore, search engine marketing is an effective and efficient tool to bring online consumers to business websites (Jansen and Spink 2009). As a result, search engine marketing is recommended to generate traffic to websites, build a brand image and reach target customer segments. In this way, it can increase customers' purchasing intention. Thus, the following hypothesis is proposed:

H<sub>3</sub>: Perceived place element has a positive impact on behavioral intention to adopt online casino.

#### 3.4 Price

The price element refers to the strategy used to determine the product shown on the business web sites and allows customers to search for their suitable target price range. The tools under this element are 1) price filters that consumers can use to look for suitable products when entering target prices, 2) price variations based on product demand and supply. Kusumawati et al. (2014) showed that the price element of digital music products has a positive influence on consumer's purchase intention. Thus, the following hypothesis is proposed:

H4: Perceived price element has a positive impact on behavioral intention to adopt online casino.

### *3.5 Personalization*

In a traditional business environment, retailers often offer special products or services based on individual customers' needs in order to engage with them personally. In the online business environment, personalization is referred to as how websites or web-services tailor individual customer needs (Kalyanam and McIntyre 2002). Maru Winnacker, the CEO of Project OONA, strongly believes that mass customization can bring customers and online retailers closer (Mass Customization & Open Innovation News 2012). The personalized information offered in websites enhances their online performance (Thongpapanl and Rehman Ashraf 2011). Thus, the following hypothesis is proposed:

H5: Perceived Personalization element has a positive impact on behavioral intention to adopt online casino.

### *3.6 Privacy*

Online privacy is the ability to control the information a user provides about his/her personal information, and control the access to the information. Privacy has a positive impact on consumers' behavioral intentions to purchase from a web site or visit a web site again (Liu et al. 2005). E-commerce websites have begun to display privacy policies or other relevant statements on their websites. Third party privacy seal programs are created to assure consumers that their personal privacy is respected by e-commerce websites on the Internet. It has been argued that privacy perception has a positive impact on an individual's behavioral intention when purchasing online. Thus, the following hypothesis is proposed:

H6: Perceived privacy element has a positive impact on behavioral intention to adopt online casino.

### *3.7 Customer Service*

Online businesses should consider building two-way communications to answer consumers' requests via an email management system. Previous studies indicate that the dimension of responsiveness has a moderate effect on overall service quality and customer satisfaction for online stores (Kuo 2013; Wolfinbarger 2003). In addition, service quality of websites has a positive impact on purchase intentions and online customer satisfaction (Lee and Lin 2005; Abbaspour and Hazarinahashim 2015). Thus, the following hypothesis is proposed:

H7: Perceived customer service element has a positive impact on behavioral intention to adopt online casino.

### *3.8 Community*

The community of e-marketing mix  $4Ps+P^2C^2S^3$  refers to virtual communities like forums and chatrooms used to discuss the products among online users. Furthermore, online word-of-mouth is also an important element in Communities (Kalyanam and McIntyre 2002; Lee et al. 2008). Previous studies found that eWOM plays an increasingly significant role in consumer purchase

decisions (Duan et al. 2008; Yayli and Bayram 2012). Thus, the following hypothesis is proposed:

H8: Perceived community element has a positive impact on behavioral intention to adopt online casino.

### *3.9 Site*

The Site element of e-marketing mix 4Ps+P<sup>2</sup>C<sup>2</sup>S<sup>3</sup> focuses on website layout design and displays (Kalyanam and McIntyre 2002). The use of graphics, colors, photographs, various font types are included in websites to improve the website's visual design. Karvonen (2000) found that 'aesthetic beauty' positively impacts consumers' trust of a website. Furthermore, Cyr (2008) found that the visual design of the website has a positive impact on trust and consumers' decision to purchase. Thus, the following hypothesis is proposed:

H9: Perceived site element has a positive impact on behavioral intention to adopt online casino.

### *3.10 Security*

The Security element focuses on the e-marketing tools of securing business web sites. Security is one of the major dimensions of online trust (Camp 2001). The improvement in security results in an increase in trust with the online vendor (Ganguly 2009). Previous studies indicated that Chinese consumers in general have a high uncertainty avoidance culture (Hsee and Weber 1999; Dai and Palvia 2009) and they are likely to refrain from such technologies, e.g. Internet. The e-marketing tools of securing business web sites are supposed to increase the level of certainty. Thus, the following hypothesis is proposed:

H10: Perceived security element has a negative impact on behavioral intention to adopt online casino.

### *3.11 Sales Promotion*

Sales promotion can also be referred to as any incentive used by manufacturers or retailers to provoke trade with other retailers (Strahilevitz and Myers 1998). Park and Lennon (2009) found that sales promotions (e.g. discounts) tend to positively influence customer estimates of the fair price of a promoted product, to enhance perceived value of the deal, and to increase satisfaction with a purchase and purchase intentions.

H11: Perceived sales promotion has a positive impact on behavioral intention to adopt online casino.

### *3.12 Behavioral Intention*

According to Davis (1989), behavioral intention of using a particular technology has a positive impact on its actual use. Previous studies found that behavioral intentions of using a Public Internet Access Point (Afacan 2013), electronic learning systems (Angel et al. 2014) and Internet banking adoption (Martins et al. 2014) have a positive impact on their corresponding actual uses. Thus, the following hypothesis is proposed:

H12: Behavioral intention has a positive impact on actual use of online casino.

Hence, the conceptual model is shown in Figure 1.

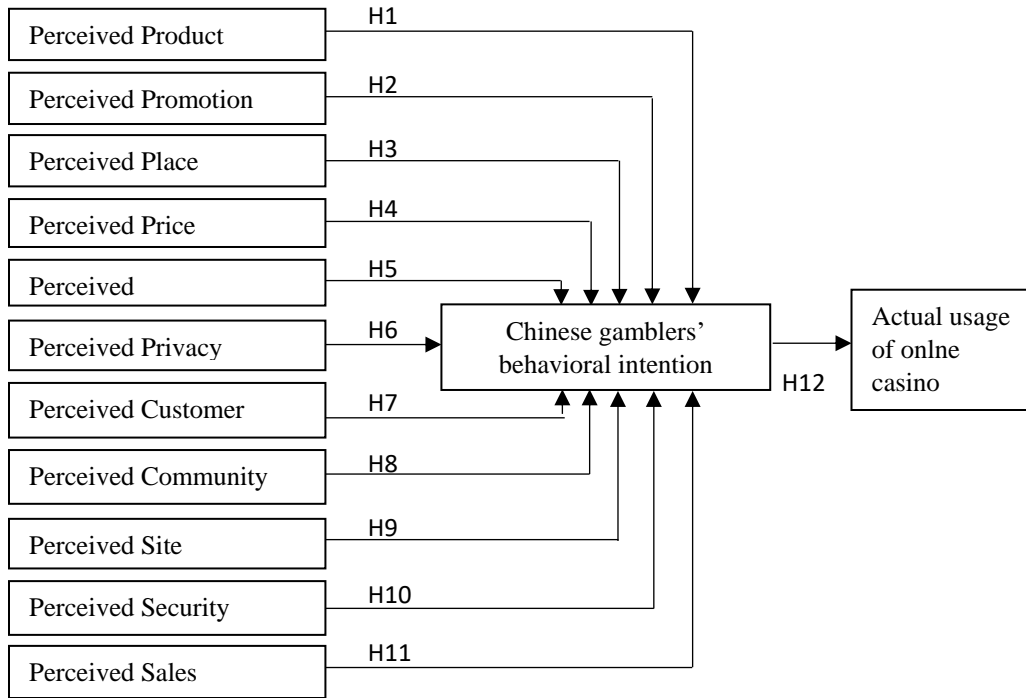


Figure 1: Conceptual Model

#### 4 METHODOLOGY

In order to analyze Chinese gamblers' adoption of online casinos, quantitative analysis was performed. In this study, behavioral intention was adopted from Venkatesh et al. (2003) and Davis (1989); Use Behavior was taken from Im et al. (2011); while the antecedents of behavioral intention were taken from Kalyanam and McIntyre (2002). There are three e-marketing tools (forward auction, reverse auction and wish-list) omitted from the 4Ps+ P<sup>2</sup>C<sup>2</sup>S<sup>3</sup> model as they are not relevant in the context of online casino. In order to analyze Chinese gamblers' perceptions on the importance of e-marketing mix elements offered by online casinos, a marketing survey was conducted. The items about e-marketing tools and adoption intention were converted to the survey items shown in Table 2. Each item was measured on a scale from one to five, starting from "very important" to "very unimportant". The target of this study is Chinese gamblers in Macau and the questionnaire was distributed to the gamblers at different casinos in Macau. On this basis, a sample of 583 usable responses were gathered from diverse respondents with different demographic characteristics. Descriptive statistics related to the sample are presented in Table 3.

**Table 2** Questionnaire Items

Perceived Product	
PR1	Different categories of online casino games available such as Blackjack and Baccarat, etc.
PR2	Tool that can allow me to configure the casino game options of the betting game
PR3	Guidelines of betting game and demonstration video
Perceived Promotion	
PRM1	Out-bound email like a Newsletter
PRM2	Online advertisements in online casino, like e-banners, sponsored links...etc.
PRM3	The online casino contains messages or video clips about some betting games that are so attractive that I will inform others about it.

Perceived Place	
PLA1	Online casino websites or apps can be easily found through a search engine like Baidu.
PLA2	The links of online casino can be found and accessed from other well-known related websites (Gambling Websites).
Perceived Price	
PRC1	I can enter my target minimum and maximum bet so that the online casino can list out suitable betting games.
PRC2	The minimum and maximum bet in the online casino can be changed in response to changing supply and demand conditions
Perceived Personalization	
PRS1	When I log on to the online casino, it can show all those betting games that I visited before.
PRS2	When I log on to the online casino, it will send notice to me about new games based on my interests.
PRS3	Based on my gaming interest, there are some casino games suggested that are already used by those customers who have the same interest.
Perceived Privacy	
PRV1	Messages about privacy such as “We will not sell your personal data...”.
PRV2	Privacy policy page can easily be found in the online casino.
Perceived Customer Service	
CSR1	Online chat rooms between gamblers and supporting staff
CSR2	Frequently asked questions / Help Page
CSR3	Bet return policy
CSR4	Quick response from e-mail enquiry
CSR5	Tracking the status of the amount exchanged between the online casino and bank account.
Perceived Community	
COM1	Chat rooms available for customers to discuss different online casino games.
COM2	User ratings and reviews about different casino games available in the online casino.
Perceived Site	
SIT1	The homepage of online casino defines its features and categories of online casino games clearly.
SIT2	The contents of the online casino should be well organized and the background format matched with the text style and color.
SIT3	Tool that can allow me to search casino games easily in the online casino.
Perceived Security	
SEC1	Security techniques that protect my transaction data such as ID, credit card information from hackers during data transmission in the Internet. For example, security payment signs, or pay with the third party payment tools like Alipay.
SEC2	Security techniques that can only allow for authorized access to my personal data.
SEC3	The web sites’ servers should always be safe from hackers’ attack so that the web sites are always available.
Perceived Sales Promotion	
SPR1	Electronic coupon offered by the online casino.
SPR2	After I subscribe to an e-newsletter, I will receive information about special time limited offers. Ex: 72-Hours Anniversary betting discount 50%.
Behavioral intention	
INT1	I will play the games offered by online casinos again.
INT2	I will recommend the games offered by online casinos to my friends.
INT3	When I play casino games again, online casino is my first choice.
INT4	I will take the initiative to pay attention to the games offered by online casino.
Actual Use	
USE1	On average, How much time (number of hours) did you spend on online casino in the past 30 days?
USE2	How many times did you use online casino in the past 30 days?



**Table 3** Demographics of the respondents

Demographics	Number	Percent
Gender		
Female	241	41.3
Male	342	58.7
Age		
35 or below	322	55.2
36 – 50	202	34.6
51 – 65	59	10.2
Income Level (Monthly)		
Below MOP18,000	302	51.8
MOP18,000 – 45,000	197	33.8
Above MOP45,000	84	14.4

In this study, Structural Equation Modeling (SEM) was used to validate the proposed research model in order to test the hypotheses. Regarding the analysis procedures of the SEM, the AMOS software package was utilized. A two-phased approach to SEM analysis (Hair et al. 2006) was adopted. A confirmatory factor analysis (CFA) was performed to examine the overall fit, validity, and reliability of the measurement model, followed by examining the hypotheses using the structural model.

## 5 RESULTS

### 5.1 Reliability and validity

In order to evaluate the reliability of the measures for the constructs, one of the well-known models was used: Cronbach's alpha. As shown in Table 4, all Cronbach's alpha values for each construct are above or very close to the expected threshold of 0.7, showing evidence of internal consistency.

Exploratory factor analysis was then conducted to improve the instrument by removing items that did not load on an appropriate high-level construct (Doll and Torkzadeh 1988; Straub 1989, Palvia 1996). A maximum likelihood factor analysis was then conducted. At the beginning, any items with commonality less than 0.3 were removed (Hair et al. 1998). Next, the absolute values of rotated factor loading greater than 0.4 were retained only (Joreskog and Sorbom 1984). As a result, 13 factors were extracted and accumulatively accounted for 60.76% of the total variance. Table 4 presents the factor structure of the exploratory factor analysis for the adoption of online casinos based on the E-Marketing Mix model.

**Table 4** Factor Analysis results and Cronbach's Alpha coefficient[illegible]

PLA1			0.41										
PLA2			0.80										
PRC1				0.63									
PRC2				0.79									
PRS1					0.52								
PRS2					0.93								
PRS3					0.47								
PRV1						0.88							
PRV2						0.47							
CSR1							0.67						
CSR2							0.69						
CSR3							0.46						
CSR4							0.61						
CSR5							0.67						
COM1								0.91					
COM2								0.73					
SIT1									0.62				
SIT2									0.77				
SIT3									0.48				
SEC1										0.79			
SEC2										0.68			
SEC3										0.83			
SPR1											0.57		
SPR2											0.98		
INT1												0.62	
INT2												0.69	
INT3												0.88	
INT4												0.71	
USE1													0.92
USE2													0.98
Cron. Alpha	0.64	0.72	0.73	0.70	0.77	0.86	0.79	0.81	0.72	0.85	0.79	0.88	0.94

The CFA procedure was then conducted to assess the measurement model in terms of goodness-of-fit, convergent validity and discriminant validity. The results of the analysis indicated that the goodness-of-fit indices for the hypothesized measurement model were reasonable (Chi-square/d.f. = 2.737, CFI = 0.927, SRMR = 0.042, GFI = 0.932, AGFI = 0.841, RMSEA = 0.048). All the index values met their corresponding acceptance levels (hair et al. 1998; Seyal et al. 2002).

The reliability and convergent validity of the measurement scale was also tested. Results are shown in Table 5. The standardized factor loadings reached a significant level while the composite reliability (CR) values were all higher than 0.6, which showed good reliability on all measures (Bagozzi and Yi 1988; Hair et al. 1998). In addition, the convergent validity was also evaluated and the average variance extracted (AVE) values of all constructs exceeded 0.5 (Fornell and Larcker 1981). Overall, the measurement model exhibited adequate reliability and convergent validity.

**Table 5** Convergent validity for the measurement model

Construct	Indicator	Factor Loading	Composite Reliability	AVE
Perceived Product	PR1	0.71	0.64	0.46
	PR2	0.65		
	PR3	0.63		
Perceived Promotion	PRM1	0.69	0.72	0.55
	PRM2	0.62		
	PRM3	0.69		
Perceived Place	PLA1	0.75	0.73	0.67
	PLA2	0.69		
Perceived Price	PRC1	0.70	0.70	0.59
	PRC2	0.82		
Perceived Personalization	PRS1	0.73	0.77	0.52
	PRS2	0.78		
	PRS3	0.71		
Perceived Privacy	PRV1	0.88	0.86	0.64
	PRV2	0.81		
Perceived Customer Service	CSR1	0.65	0.79	0.50
	CSR2	0.72		
	CSR3	0.63		
	CSR4	0.69		
	CSR5	0.60		
Perceived Community	COM1	0.72	0.81	0.55
	COM2	0.85		
Perceived Site	SIT1	0.73	0.72	0.59
	SIT2	0.61		
	SIT3	0.71		
Perceived Security	SEC1	0.83	0.85	0.58
	SEC2	0.89		
	SEC3	0.80		
Perceived Sales Promotion	SPR1	0.84	0.79	0.69
	SPR2	0.82		
Behavioral Intention	INT1	0.77	0.88	0.62
	INT2	0.71		
	INT3	0.76		
	INT4	0.72		
Actual Use	USE1	0.89	0.94	0.77
	USE2	0.91		

Finally, to assess discriminant validity, the square root of AVE should be greater than the correlations between the constructs (Henseler et al. 2009). This is reported in Table 6 for all constructs. We conclude that all the constructs show evidence of discrimination.

**Table 6** Discriminant validity

	PR	CS	BI	SEC	ACT	PRM	PRS	SPR	COM	PLA	PRC	PRV	SIT
PR	<b>0.68</b>												
CS	0.52	<b>0.71</b>											
BI	0.61	0.54	<b>0.79</b>										
SEC	0.50	0.56	0.32	<b>0.76</b>									
ACT	-0.02	-0.03	0.08	-0.30	<b>0.88</b>								

PRM	0.64	0.40	0.55	0.17	-0.03	<b>0.74</b>							
PRS	0.66	0.62	0.52	0.36	0.08	0.53	<b>0.72</b>						
SPR	0.42	0.66	0.50	0.33	0.05	0.49	0.42	<b>0.83</b>					
COM	0.58	0.68	0.52	0.48	-0.06	0.45	0.56	0.44	<b>0.74</b>				
PLA	0.60	0.52	0.47	0.35	-0.02	0.68	0.61	0.40	0.48	<b>0.82</b>			
PRC	0.61	0.61	0.41	0.48	-0.16	0.43	0.64	0.57	0.41	0.63	<b>0.77</b>		
PRV	0.52	0.59	0.46	0.72	-0.08	0.20	0.42	0.31	0.46	0.51	0.42	<b>0.80</b>	
SIT	0.63	0.69	0.68	0.54	0.04	0.39	0.66	0.54	0.69	0.71	0.50	0.55	<b>0.77</b>

Note: 1. Diagonal values represent square roots of the AVE. 2. PR = Perceived Product; CS = Perceived Customer Service; BI = Behavioral Intention; SEC = Perceived Security; ACT = Actual Use; PRM = Perceived Promotion; PRS = Perceived Personalization; SPR = Perceived Sales Promotion; COM = Perceived Community; PLA = Perceived Place; PRC = Perceived Price; PRV = Perceived Privacy; SIT = Perceived Site.

### 5.2 Hypotheses test

Before hypotheses testing, the goodness-of-fit of the structured model was examined by using the same indices that were used for the reliability and validity of the constructs. Since all of the model fit indices indicate the adequacy of the structural model, it is concluded that the model exhibits a good fit (Hair et al. 2006).

Once the structural model is determined as adequate, the hypotheses are examined. Figure 2 presents the standardized path coefficients ( $\beta$ ), their significance for the structural model, and the coefficients of determinant (R<sup>2</sup>) for each endogenous construct. Results of the hypotheses testing are summarized in Table 7. The results are discussed below:

1. Perceived Product has a significant and positive impact on behavioral intention ( $\beta = 0.175$ ,  $t = 3.335$ ), indicating support for H1.
2. Perceived Price has a significant and positive impact on behavioral intention ( $\beta = 0.138$ ,  $t = 2.871$ ), indicating support for H4.
3. Perceived Privacy has a significant and positive impact on behavioral intention ( $\beta = 0.403$ ,  $t = 8.759$ ), indicating support for H6.
4. Perceived Customer Service has a significant and positive impact on behavioral intention ( $\beta = 0.424$ ,  $t = 9.264$ ), indicating negative support for H7.
5. Perceived Security had a significant and negative impact on behavioral intention ( $\beta = -0.131$ ,  $t = -2.131$ ), indicating support for H10.
6. Perceived Sales Promotion has a significant and positive impact on behavioral intention ( $\beta = 0.205$ ,  $t = 4.992$ ), indicating support for H11.
7. Behavioral Intention has a significant and positive impact on actual use ( $\beta = 0.183$ ,  $t = 3.841$ ), indicating support for H12.

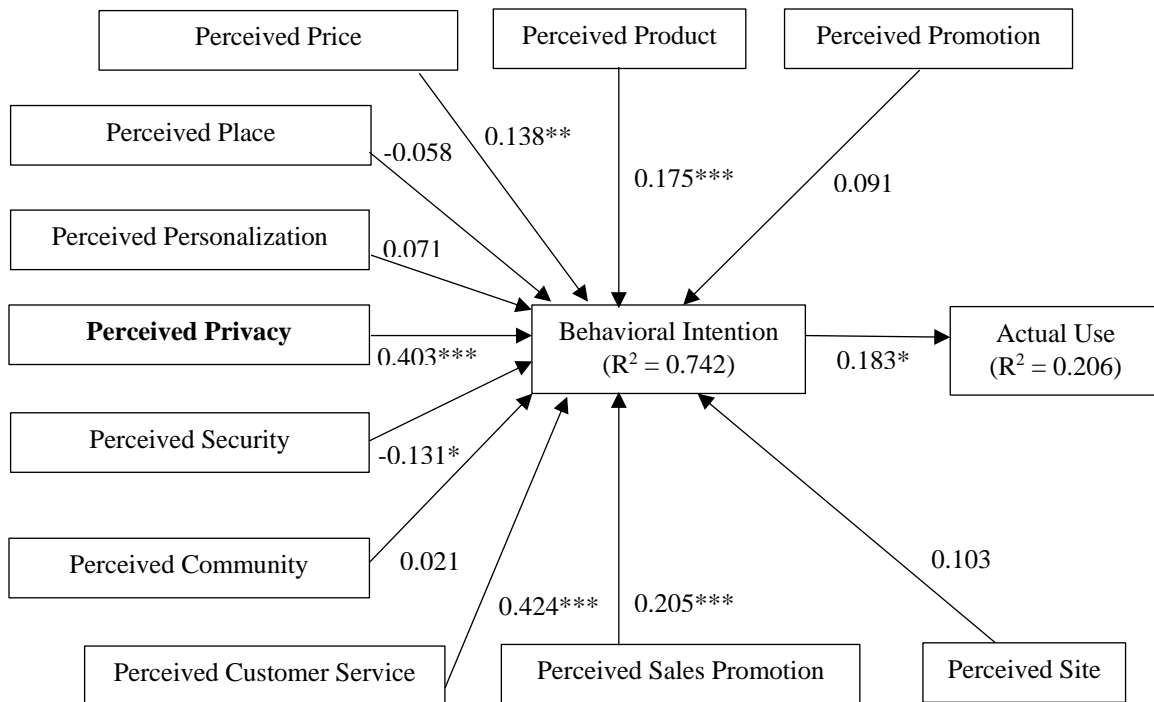


Figure 2: Results of the structured model

**Table 7** Results of the structured model and hypothesis tests

Hypothesis	Path Coefficient	t value	Support
H1: PR → BI	0.175	3.335***	Yes
H2: PRM → PI	0.091	1.706	No
H3: PLA → BI	-0.058	-1.237	No
H4: PRC → BI	0.138	2.871**	Yes
H5: PRS → BI	0.071	0.628	No
H6: PRV → BI	0.403	8.759***	Yes
H7: CS → BI	0.424	9.264***	Yes
H8: COM → BI	0.021	0.453	No
H9: SIT → BI	0.103	1.966	No
H10: SEC → BI	-0.131	-2.131*	Yes
H11: SPR → BI	0.205	4.992***	Yes
H12: BI → USE	0.183	3.841*	Yes

Note. \*\*\*  $p < 0.001$ ; \*\*  $p < 0.01$ ; \*  $p < 0.05$ .

## 6 CONCLUSION

This study is the first known attempt to find out the relationship between the e-marketing mix model and behavioral intention of adopting online casinos from Chinese gamblers' perspective. According to the results, perceived product has a significant positive impact on behavioral intention to adopt online casinos. The varieties of online casino games, configuration tools of casino games and demonstration videos of casino games are critical factors when deciding to adopt online casinos.

In addition, perceived price also plays an important role when deciding to adopt online casinos, indicating that Chinese gamblers are very sensitive to the minimum and maximum betting amount. Regarding security, the results indicated that perceived security has a significantly negative impact on behavioral intention to adopt online casinos. The security of online casinos is perceived to be very important by Chinese gamblers and they think that the current online casino platforms do not provide sufficiently high security standards. Hence, this lowers their intention to use online casinos. Furthermore, sales promotion also plays a role when deciding to adopt online casinos, indicating that the Chinese gamblers are sensitive to special sales offers and e-coupons for online casinos.

Among all the e-marketing mix elements, privacy and customer service are the two most important elements as perceived privacy and perceived customer service have a significantly high positive impact on behavioral intention to adopt online casinos. The Chinese gamblers are very sensitive to privacy policy. In addition, they are very sensitive to the customer service tools such as receiving a quick response from e-mail enquiries and help page.

Based on the results, it follows that there is a significant relationship between intention to use online casino and actual behavior.

This study is the first to evaluate the impact of perceived e-marketing mix elements on behavioral intention towards online casinos. The most important managerial implication of this study is that it provides a comprehensive set of e-marketing mix elements that contribute to the actual usage of online casino. It provides a statistically based reference for online casino managers to find out which e-marketing mix elements and e-marketing tools they should focus on to bring higher profits rather than trying to obtain higher profits through direct price competition. The practical implication is that the web site or app designers can develop a more suitable online casino platform for online gamblers.

For future enhancement, these results can be compared with those of other fields in online gambling in order to gain insight into the common e-marketing mix elements that have a positive impact on different fields in online gambling. In addition, the research model will be further extended to include other relevant factors about online casinos to perform a thorough evaluation on the adoption of online casino platforms.

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